CENTRAL INTELLIGENCE AGENCY

17 February 1956

MEMORANDUM FOR: Mr. Allan Evans (OIR)

Colonel H. J. Lemley, Jr., USA (AC/SI) Captain B. E. Wiggin, USN (ONI)

Colonel Willis B. Sawyer, USAF (AFOIN-2B2) Colonel Charles H. Dayhuff, Jr., USA (JIG)

SUBJECT

Proposal for NIE on "New Course in Soviet Policy"

In view of the many developments in Soviet policy since we last wrote an NIE on the subject, the Board of National Estimates believes that a new estimative look at the problem would be highly appropriate. We envisage a short national estimate pulling together such domestic and foreign policy developments as the new Soviet diplomatic and economic offensive in Asia, the new Five Year Plan, the 20th Party Congress, the Bulganin letters, etc., and analyzing where the USSR seems to be headed. Cur success last year with NIE's 11-13 and 13/1, suggests that a similar brief treatment would be useful.

- 2. Our reasons for suggesting such a paper at this time are:
 - a. At present we have no current estimates regarding a number of highly significant Soviet developments, particularly the new "trade and aid" offensive. So far only current intelligence coverage has been given to this.
 - b. A brief estimate of the type suggested would be a valuable preliminary to the big Soviet paper, which is not a substitute for an NIE of this type. Cur over-all thinking about current trends in Soviet policy tends to get buried in the annual Soviet paper; which includes all sorts of other material. Moreover,

DOC. 32

APPROVED FOR RELEASE DATÉ: APR 2007

a brief NIE of the 11-13 type is a more flexible vehicle for the type of generalization we have in mind. The fact that the big Soviet paper is a five year projection makes it difficult to devote much attention in it to short term trends. We always have to argue the question of whether any trends posited will last the full five years.

- c. We feel in any case that from the standpoint of impact on the reader, as well as ease of coordination, we should not rely too much on covering everything in depth in one big annual Soviet NIE. We can cover the field better if we do more in the way of separate brief estimates on key aspects of the Soviet problem as the occasion arises. These can of course be summarized as appropriate in the big estimate.
- 3. If the above suggestion is approved, we propose initiating such an NIE promptly, on the basis of oral contributions, for completion no later than the end of April. This schedule will permit us to get this estimate out of the way before we get fully engaged in drafting the big Soviet NIE.
- 4. In order to avoid a special meeting, I suggest that you or your representative discuss this proposal with Mr. Kent, in his office, immediately after the IAC meeting Tuesday, 21 February.

PAUL A. BOREL Deputy Assistant Director National Estimates

Distribution "B"





SPECIAL ASSISTANT TO THE SECRETARY OF STATE Washington

February 23, 1956

Dear Allen:

In view of the intense interest at present in the new Soviet economic diplomacy in underdeveloped countries, especially of Asia, we would like to propose that a National Intelligence estimate on this subject be undertaken shortly against an early completion date.

As you know, the President has asked Mr. Dodge to have the Council on Economic Foreign Policy coordinate such policy formulation and action as may be indicated in connection with Soviet initiatives in this field. Mr. Dodge has asked for a review of what the Communists have done up to now, as well as for the regular preparation of periodical (probably fortnightly) reports on current developments.

The Department of State believes, however, that foreign policy decisions in this matter require more than a factual compilation of what the Soviets are, and have been, doing. The significance of their recent actions, we believe, must be evaluated in a far larger context, if reliable inferences are to be drawn as to Soviet intentions and motivations, the probable extent to which these new policies can and will be carried, and the effectiveness they may be expected to have.

Such an appraisal will require an integrated analysis of
(a) Soviet capabilities to supply both capital equipment and
military goods, as well as to absorb raw material and foodstuffs
imports; (b) Soviet strategy in underdeveloped and former colonial
areas; and (c) the vulnerabilities of these areas to Soviet influence through economic relationships. Clearly each one of
these topics requires a blend of political and economic analysis.
It is therefore our opinion that the complexity and variety of the
problem call for a coordinated national estimate.

Will you be good enough to arrange for the IAC to consider this proposal at an early meeting.

Sincerely yours,

/s/

W. PARK ARMSTRONG, Jr. W. Park Armstrong, Jr.

The Honorable
Allen W. Dulles
Director of Central Intelligence
Washington
SECRET